GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA

UNSTARRED QUESTION NO:3106
ANSWERED ON:12.03.2003
DUMPING PRICES
RAMJI MANJHI

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether the Standing Committee on Information and Technology in its 22nd Report has stated that prices quoted by L-1 bidders are dumping prices adversely affecting ITI and other indigenous companies; and

(b) if so, the measures taken to check the dumping prices?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRIMATI S MAHAJAN)

(a) Yes, Sir.

(b) The Action Taken Report was sent to Lok Sabha Secretariat which was considered and adopted by the Standing Committee on Information Technology (2002) (Thirteenth Lok Sabha), Ministry of Communications and Information Technology (Department of Telecommunications) in its sitting held on 20.2.2002. The extracts are given in the Annexure.

ANNEXURE

EXTRACT FROM TWENTY-NINTH REPORT OF STANDING COMMITTEE ON INFORMATION TECHNOLOGY (THIRTEENTH LOK SABHA), MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (DEPARTME TELECOMMUNICATIONS).

PRESENTED TO LOK SABHA ON 13TH MARCH, 2002.

CHAPTER-III

RECOMMENDATIONS/ OBSERVATIONS WHICH THE COMMITTEE DOES NOT DESIRE TO PURSUE IN VIEW C REPLIES OF THE GOVERNMENT .

Recommendations / Observation of the Committee (Paragraph No. 135)

The Committee also notes that in a recent tender floated by the Department, prices quoted by L-1, bidder was alleged to be dumping prices which apparently affected the interest of ITI and other indigenous companies. The Committee, therefore, desires the Department to see whether any mechanism can be evolved to establish whether the price quoted by a particular vendor is anyway dumping so that the interest of the indigenous companies can be well protected.

Action Taken by Government

Procurement of telecom equipment in DOT now BSNL is made through open competitive tenders. The process of open tendering is well established in the Govt. of India and the system is quite transparent and therefore price quoted by L-1 bidder cannot be considered a dumping price. Moreover no evidence is available to substantiate that L-1 prices are dumping prices.